

Annual Remuneration Report for Directors of Rompetro Well Services S.A.

Rompetro Well Services S.A. (“**Company**”), a 70-year-old company specialized in technical support services for crude oil and gas wells provided to oil and gas operators and contractors, with a focus on cementation, demonstrated in 2023, despite the volatile business environment, professionalism in delivering projects with high-performance equipment and experienced staff.

The Board of Directors of Rompetrol Well Services S.A. (“**Board of Directors**”) approved in the Ordinary General Meeting of Shareholders (OGMS) held on April 26, 2021 with a number of 87.2366% cast votes, the **Remuneration Policy**, a document that can be consulted on the Internet, on the official website of the Company here: https://rompetrolwellservices.kmginternational.com/upload/files/politica_de_remunerare_2555.pdf

The Remuneration Report of the Company's management structures, related to the year 2022, was approved in the Ordinary General Meeting of Shareholders on April 26, 2023 with a number of 83,6931% of the share capital and 100% of the votes cast.

This **Remuneration Report** is prepared for the financial year ended on December 31, 2023 in accordance with the **Remuneration Policy** mentioned above.

The Remuneration Report will be submitted to the advisory vote of the Ordinary General Meeting of Shareholders of the Company (“**OGMS**”) on April 25/26, 2024, and will be published on the official website of the Company on <https://rompetrolwellservices.kmginternational.com/relatia-cu-investitorii/guvernanta-corporativa> and will remain available to the public for 10 years from the date of publication, in accordance with the applicable legal provisions.

The Remuneration Report provides an overview of the gross remuneration, including all benefits, regardless of form, granted or due during the last financial year, to the Company's individual Directors, including newly appointed and former executives in accordance with the Remuneration Policy.

The Directors of the Company are only those who hold following positions: (i) members of the Board of Directors, and (ii) executive directors, as they are defined by the provisions of the Companies' Law no. 31/1990.

The main features of the remuneration system can be summarized as follows:

| Remuneration element | The purpose and connection with the strategy |
|-----------------------------|--|
| Fixed remuneration | Fixed level of earnings that reflects the scale and complexity of the business, the roles, and responsibilities of each Director, ensuring competitiveness with the market. |
| Variable remuneration | Compensation provided in the Collective Labor Agreement at the Company level, as well as variable compensation based on annual financial and non-financial performance criteria that are relevant to the Company's strategy. |

The basic principles of the Remuneration Policy are: pay for performance, maintaining competitiveness in the labor market and internal equity. They align the interests of decision-makers in the Company with the interests of shareholders and other stakeholders (e.g., employees or the general public).

The Remuneration Policy creates an appropriate framework for attracting talent and cultivating the skills needed to achieve the company's objectives, helping to increase the level of talent retention. It also contributes to the successful implementation of the company's short-, medium- and long-term strategy, providing the necessary and flexible tools to remunerate the Company's Directors, including for exceptional situations and achievements.

The total remuneration contributes to the long-term development of the Company by maintaining a high level of motivation of the Company's Directors and their retention, as well as by attracting talents within the Company. The equitable reward of the performance in activity in accordance with the added value created for the shareholders thus supports the level of profitability of the Company.

By offering a competitive fixed remuneration in the market, by rewarding the technical knowledge and managerial skills of the Company's Directors, their degree of satisfaction, commitment and perseverance is kept to a high level.

The variable remuneration is determined, and it is granted according to the fulfillment of the strategic performance objectives and indicators at Company level. The payment of a variable remuneration stimulates the delivery of the maximum results for the Company, ensuring operational continuity at a maximum level of performance.

As per the Remuneration Policy, the remuneration elements are: fixed remuneration (salaries and indemnities/ allowances) and variable remuneration (bonuses, aids, benefits).

During 2023, in accordance with the mandate contracts and the Collective Labor Agreement in force, the Company's Directors on positions during 2023 received fixed and variable remuneration for their activity in line with the Remuneration Policy, as well as labor market.

A. Members of Board of Directors during 2023:

1. Utekov Yedil, President of Board of Directors from January 1 to April 30, 2023 and member of Audit Committee during the same period, received fixed remuneration as a gross monthly allowance.
2. Tergeussizov Batyrzhan, President of Board of Directors from May 1, 2023 to December 31, 2023 and member of Audit Committee during the same period, received fixed remuneration as a gross monthly allowance.
3. Florea Georgian Ștefan, member of Board of Directors, received fixed remuneration as a gross monthly allowance.
4. Henke Eugeniu-Moby, member of Board of Directors, received fixed remuneration as a gross monthly allowance.
5. Manole Gabriel-Vasile, member of Board of Directors received fixed remuneration as a gross monthly allowance.
6. Țurcanu Olga, member of Board of Directors and member of Audit Committee, received fixed remuneration as a gross monthly allowance.

B. Executive Directors during 2023:

1. Florea Georgian Ștefan, General Manager, received fixed monthly remuneration and variable remuneration consisting in bonuses as per Collective Labor Agreement in place (vacation bonus) and other benefits in kind (life and health insurance, medical subscription, gift for children on the occasion of June 1 and Christmas).
2. Moise Luiza-Roxana, Finance Manager, received fixed monthly remuneration and variable remuneration consisting in bonuses as per Collective Labor Agreement in place (vacation bonus) and other benefits in kind (life and health insurance, medical subscription, March 8th gift, gift for children on the occasion of June 1 and Christmas).

Directors of the Company are not part of any scheme of options on shares granted or offered by the Company.

A. The effective gross remuneration structure of the Company's Directors during 2023

| | | Yedil Utekov ^{*)} |
|------------|--|---------------------------------|
| | | President of Board of Directors |
| FIX | Fixed remuneration (salaries and fixed allowances) | 53.562 |
| | Variable remuneration (payments and bonuses as per CLA) ¹⁾ | N/A |
| VAR | Variable remuneration (performance bonus) | N/A |
| | Other benefits ²⁾ | N/A |
| | Total remuneration | 53.562 |
| | Weight fixed remuneration | 100% |
| | Weight variable remuneration | 0% |
| | Remuneration received from any entity in Romania that belongs to the same group and that is controlled by the Company / is affiliated to the Company | 82.048 |

^{*)} for the period January 1 - April 30, 2023

¹⁾ vacation bonus, special events bonus

²⁾ life insurance/ health insurance/ medical subscription/ gift for children on occasion of June 1 and Christmas

Note: the presented values are annual, gross in RON

Batyrzhan Tergeussizov^{*)}
President of Board of Directors

| | | |
|------------|--|----------------|
| FIX | Fixed remuneration (salaries and fixed allowances) | 107.572 |
| | Variable remuneration (payments and bonuses as per CLA) ¹⁾ | N/A |
| VAR | Variable remuneration (performance bonus) | N/A |
| | Other benefits ²⁾ | N/A |
| | Total remuneration | 107.572 |
| | Weight fixed remuneration | 100% |
| | Weight variable remuneration | 0% |
| | Remuneration received from any entity in Romania that belongs to the same group and that is controlled by the Company / is affiliated to the Company | 191.456 |

^{*)} for the period May 1 - December 31, 2023

¹⁾ vacation bonus, special events bonus

²⁾ life insurance/ health insurance/ medical subscription/ gift for children on occasion of June 1 and Christmas

Note: the presented values are annual, gross in RON

Georgian Ștefan Florea
General Manager and Executive Member of
Board of Directors

| | | |
|------------|--|----------------|
| FIX | Fixed remuneration (salaries and fixed allowances) | 594.839 |
| | Variable remuneration (payments and bonuses as per CLA) ¹⁾ | 5.086 |
| VAR | Variable remuneration (performance bonus) | 173.761 |
| | Other benefits ²⁾ | 3.314 |
| | Total remuneration | 777.000 |
| | Weight fixed remuneration | 77% |
| | Weight variable remuneration | 23% |
| | Remuneration received from any entity in Romania that belongs to the same group and that is controlled by the Company / is affiliated to the Company | 0 |

¹⁾ vacation bonus, special events bonus

²⁾ life insurance/ health insurance/ medical subscription/ gift for children on occasion of June 1 and Christmas

Note: the presented values are annual, gross in RON

Henke Eugeniu Moby
Member of Board of Directors

| | | |
|------------|--|---------------|
| FIX | Fixed remuneration (salaries and fixed allowances) | 93.748 |
| | Variable remuneration (payments and bonuses as per CLA) ¹⁾ | N/A |
| VAR | Variable remuneration (performance bonus) | N/A |
| | Other benefits ²⁾ | N/A |
| | Total remuneration | 93.748 |
| | Weight fixed remuneration | 100% |
| | Weight variable remuneration | 0% |
| | Remuneration received from any entity in Romania that belongs to the same group and that is controlled by the Company / is affiliated to the Company | 0 |

¹⁾ vacation bonus, special events bonus

²⁾ life insurance/ health insurance/ medical subscription/ gift for children on occasion of June 1 and Christmas

Note: the presented values are annual, gross in RON

Manole Vasile Gabriel
Member of Board of Directors

| | | |
|------------|--|---------------|
| FIX | Fixed remuneration (salaries and fixed allowances) | 93.748 |
| VAR | Variable remuneration (payments and bonuses as per CLA) ¹⁾ | N/A |
| | Variable remuneration (performance bonus) | N/A |
| | Other benefits ²⁾ | N/A |
| | Total remuneration | 93.748 |
| | Weight fixed remuneration | 100% |
| | Weight variable remuneration | 0% |
| | Remuneration received from any entity in Romania that belongs to the same group and that is controlled by the Company / is affiliated to the Company | 140.542 |

¹⁾ vacation bonus, school/kindergarten allowance, special events bonus

²⁾ life insurance/ health insurance/ medical subscription/ gift for children on occasion of June 1 and Christmas

Note: the presented values are annual, gross in RON

Note: the presented values are annual, gross in RON

Țurcanu Olga
Member of Board of Directors

| | | |
|------------|--|----------------|
| FIX | Fixed remuneration (salaries and fixed allowances) | 114.259 |
| VAR | Variable remuneration (payments and bonuses as per CLA) ¹⁾ | N/A |
| | Variable remuneration (performance bonus) | N/A |
| | Other benefits ²⁾ | N/A |
| | Total remuneration | 114.259 |
| | Weight fixed remuneration | 100% |
| | Weight variable remuneration | 0% |
| | Remuneration received from any entity in Romania that belongs to the same group and that is controlled by the Company / is affiliated to the Company | 0 |

¹⁾ vacation bonus, special events bonus

²⁾ life insurance/ health insurance/ medical subscription/ gift for children on occasion of June 1 and Christmas

Moise Luiza Roxana
Finance Manager

| | | |
|------------|--|----------------|
| FIX | Fixed remuneration (salaries and fixed allowances) | 328.430 |
| | Variable remuneration (payments and bonuses as per CLA) ¹⁾ | 5.000 |
| VAR | Variable remuneration (performance bonus) | 93.028 |
| | Other benefits ²⁾ | 2.524 |
| | Total remuneration | 428.982 |
| | Weight fixed remuneration | 77% |
| | Weight variable remuneration | 23% |
| | Remuneration received from any entity in Romania that belongs to the same group and that is controlled by the Company / is affiliated to the Company | 0 |

¹⁾ vacation bonus, special events bonus

²⁾ life insurance/ health insurance/ medical subscription/ March 8th gift/ gift for children on occasion of June 1 and Christmas

Note: the presented values are annual, gross in RON

B. Comparative information on changes in the remuneration and performance of the Company

| Annual change in the remuneration of Directors in 2023 | Financial year 2023 reported to financial year 2022 | Financial year 2022 reported to financial year 2021 | Financial year 2021 reported to financial year 2020 | Financial year 2020 reported to financial year 2019 | Financial year 2019 reported to financial year 2018 |
|--|---|---|---|---|---|
| Remuneration of Board of Directors ^{*)} | | | | | |
| Utekov Yedil ¹⁾ | 95% | 11% | 2% | n/a | n/a |
| Tergeussizov Batyrzhan ²⁾ | n/a | n/a | n/a | n/a | n/a |
| Florea Georgian Ștefan ³⁾ | 100% | n/a | n/a | n/a | n/a |
| Manole Vasile Gabriel ⁴⁾ | 90% | n/a | n/a | n/a | n/a |
| Henke Eugeniu Moby ⁵⁾ | 94% | 13% | -36% | -23% | 7% |
| Țurcanu Olga ⁶⁾ | 95% | 10% | -36% | -23% | 4% |
| Remuneration of Executive Directors | | | | | |
| Florea Georgian Ștefan ³⁾ | 55% | 55% | n/a | n/a | n/a |
| Moise Luiza-Roxana ⁷⁾ | 28% | 10% | 11% | 12% | 52% |
| Performance of the Company | | | | | |
| Net profit | 380% | 50% | -63% | -64% | -28% |
| EBITDA | 368% | -16% | -28% | -56% | 3% |
| Average remuneration based on the full-time equivalent of the Company's employees | | | | | |
| Company's employees | 27% | 13% | 3% | -5% | 6% |

Note: The percentages included in the comparative analysis are calculated based on the annualized total remuneration. For the period 2018-2019, the non-taxable benefits (health insurance, medical subscription, gifts for children, death/ birth allowance, etc.) are estimated.

Other notes:

**¹⁾ Due to the general economic evolution of the market, affected by the geopolitical context and the current regional situation, the members of the Board of Directors have voluntarily given up part of the gross allowance for the financial year 2022. The indemnities of the members of the Board of Directors were established by the OGMS in USD, being paid in RON at the National Bank*

¹⁾ between October 1, 2020 and April 30, 2023

²⁾ starting May 1, 2023

³⁾ starting October 18, 2021

⁴⁾ during April 30, 2022

⁵⁾ starting May 1, 2017

⁶⁾ starting April 29, 2018

⁷⁾ starting October 1, 2018

C. Key financial and non-financial performance indicators (KPIs) underpinning the variable component of remuneration

The key performance indicators of the Company's Directors for 2023, together with their targets, thresholds and weights, were approved in April 2023. They will form the basis of establishing and awarding the variable component of the Executive Directors' remuneration.

The results of the corporate performance indicators for the year 2023 are under evaluation at the date of this report. The average degree of fulfillment of the individual KPIs of the Company's executives for the year 2023 was 117.06%.

Main KPIs at Company level were presented as follows:

| Objectives | Key performance indicators (KPIs) |
|--|--|
| Improve company's financial results | Net Profit adjusted OPEX control in Well Services revenues EBITDA adjusted |
| Implement development projects | Launch near abroad activity – no of contracts |
| Increase market share | Casing cementing and stimulation services market share (Romania) |
| Increase HSE compliance | Reduction of occupational injuries rate |
| Decrease overdues | Delta overdue / gross turnover |
| Improve the accuracy and timeliness of processes | Financial Audit Process - material adjustments Avoid material errors (accounting and reporting) |

The performance, but not limited to, criteria for Executive Directors are as follows:

1. Risk-adjusted financial performance
 - a) Strategic progress
 - b) Results and financial performance
2. Effectiveness
 - a) Process efficiency
 - b) Business development projects
 - c) Cost control
3. Involvement of stakeholders
 - a) Commitment to customers
 - b) Employees management
 - c) Involvement in community

The individual performance of the executive directors was analyzed and quantified in 2023 for 2022 according to the approved Remuneration Policy. The average level of KPIs achievement for 2022 was 111.12%.

The current market conditions, influenced by the increase in activity in the upstream area, as well as the favorable economic situation of the Company, allowed the granting of performance bonuses during the year 2023, related to the year 2022.

During 2023, there were no deviations or derogations from the approved Remuneration Policy. The option to recover the variable remuneration was not used in the financial year 2023.

Pursuant to the provisions of art. 107 of Law no. 24/2017, regarding the issuers of financial instruments and market operations, republished in the Official Gazette, Part I no. 772 of August 10, 2021, the Board of Directors submits this Report to the Ordinary General Meeting of Shareholders of Rompetrol Well Services S.A.

Tergeussizov Batyrzhan

President of Board of Directors

Georgian-Ştefan Florea

General Manager

Luiza-Roxana Moise

Finance Manager
